

STATE OF CALIFORNIA

Public Utilities Commission
San Francisco

M e m o r a n d u m

Date: June 4, 2002

To: The Commission
(Meeting of June 6, 2002)

From: Bill Julian
Office of Governmental Affairs (OGA) — Sacramento

Subject: **SB 1903 (O'Connell)** – Commercial mobile radio service providers: subscriber protection.

As Amended May 20, 2002

RECOMMENDATION: SUPPORT

SUMMARY:

This bill requires the Commission to adopt regulations (e.g., a General Order) requiring a provider of commercial mobile radio services (CMRS) to provide subscribers with a means by which the subscriber can obtain current information on the subscribers calling plan or plans and service usage.

ANALYSIS:

This bill contains intent language indicating the following:

- (1) CMRS subscribers are currently unable to monitor their air-time minutes and may incur higher charges for calls if they exceed service plan usage limits or other restrictions.
- (2) Technology exists, and other telecommunications service providers use it, to provide subscribers with reasonably accurate information on the subscriber's current service usage.
- (3) The Legislature intends current usage information provided to CMRS subscribers provide them with a reasonable estimate of the cumulative usage during the billing cycle as of a specific time on the prior business day, irrespective of the day during the billing cycle on which that information is requested.

Thus, the bill requires the Commission to adopt regulations (e.g., a General Order) requiring a provider of commercial mobile radio services (CMRS) to provide subscribers with a means by which the subscriber can obtain current information on the subscribers calling plan or plans and service usage.

FISCAL IMPACT

The bill would require the Commission to incur costs in staff time and other expense to implement the required regulations (General Order). The additional costs have yet to be determined.

Minimum required resources would include:

Administrative Law Judge (full-time for some portion of the proceeding, OIR) and associated clerical, technical and legal support, and management/supervision.

Staff Attorney (part time for some portion of the proceeding) to review proposed General Order and draft OIR, and advise Telecommunications Division staff on legal issues of implementing and enforcing the General Order.

Commission Office of Ratepayer Advocates (ORA) staff representative (PURA IV/V) to participate in proceeding (full-time for some portion of the proceeding) and associated clerical, technical and legal support, and management/supervision.

Telecommunications Division staff person (PURA IV/V, half-time for some portion of and after close of the proceeding) to coordinate, draft, review and distribute draft General Order, draft OIR, and associated clerical, technical and legal support, and management/supervision.

Telecommunications Division Supervisor, part time, to coordinate Division staff activities and monitor General Order enforcement.

Hearing room, reprographic services, court reporting services, mail room, file room support (intermittent throughout the proceeding).

ECONOMIC IMPACT:

The economic impact on the regulated community is the cost parties will incur to provide CMRS subscribers with the desired consumer protection (account information access).

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DATE: May 30, 2002

BJ:cdl

BILL LANGUAGE:

BILL NUMBER: SB 1903 AMENDED
BILL TEXT

AMENDED IN SENATE MAY 20, 2002
AMENDED IN SENATE APRIL 23, 2002

INTRODUCED BY Senator O'Connell

FEBRUARY 22, 2002

An act to add Section 2890.2 to the Public Utilities Code,
relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

SB 1903, as amended, O'Connell. Commercial mobile radio service providers: subscriber protection.

Existing law requires any person, corporation, or billing agent that charges subscribers for products or services on a telephone bill to, among other things, include in the telephone bill the amount being charged for each product or service, including any taxes or surcharges, and a clear and concise description of the service or product.

This bill would require a provider of commercial mobile radio service, as defined, to provide subscribers with a means by which a subscriber can obtain current information on the subscriber's calling plan or plans and service usage. The bill would require the commission to adopt regulations *that become effective no later than January 1, 2004*, to implement this provision.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

(a) Commercial mobile radio service subscribers are currently unable to monitor their call time minutes and, as a result, they face higher rates because they unknowingly exceed the number of minutes allowed under their plan.

(b) Commercial mobile radio service subscribers need reasonably accurate information relative to their current service usage in order to enable them to better utilize their particular calling plan.

(c) Providing commercial mobile radio service subscribers with a reasonable estimate that includes a differentiation between the types of minutes covered by their plan, such as "peak" versus "free" minutes, will enable subscribers to make informed decisions about their commercial mobile radio service.

(d) The Legislature intends to require the provision of reasonably available usage information only from those commercial mobile radio service providers that do not currently provide that information to their subscribers.

(e) Technology exists to provide commercial mobile radio service

subscribers with reasonably accurate information relative to their current service usage, and this type of information is regularly being made available by other providers of communications and information services, such as cellular telephone providers, Internet Web sites, and traditional telephone customer service providers, such as 1-800 telephone number providers.

(f) The Legislature intends that current usage information to be provided to commercial mobile radio service subscribers be a reasonable estimate of the cumulative usage during the billing cycle as of a specific time on the prior business day, such as 5:00 p.m. on the previous day, irrespective of the day during the billing cycle on which that information is requested.

(g) Notwithstanding subdivision (f), the Legislature intends that the Public Utilities Commission take appropriate consideration, and address, "roaming" minutes incurred when a commercial mobile radio service subscriber is outside his or her plan coverage area, and there is a delay in the subscriber's minutes being reported back to the subscriber's commercial mobile radio service provider by another provider.

SEC. 2. Section 2890.2 is added to the Public Utilities Code, to read:

2890.2. (a) A provider of commercial mobile radio service, as defined in Section 2892, shall provide subscribers with a means by which a subscriber can obtain current information on the subscriber's calling plan or plans and service usage.

(b) The commission shall adopt regulations, as it determines to be necessary, *that become effective no later than January 1, 2004,* to implement the requirement in subdivision (a).